



U.S. Department of Justice

United States Attorney

Eastern District of Pennsylvania

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NEWS RELEASE

United States Attorney Patrick L. Meehan today announced the filing of a three-count indictment¹ charging Michael Tulio and his company Tulio Landscaping, Inc., with one count of conspiracy, in violation of Title 18 U.S.C. § 371, and two counts of mail fraud, in violation of Title 18 U.S.C. § 1341. JMG Excavating Co., is also being charged in a one-count information with one count of mail fraud, in violation of Title 18 U.S.C. § 1341. The indictment and the information charge that Michael Tulio, Tulio Landscaping, Inc., and JMG Excavating Co., were involved in fraud in the execution of contracts with SEPTA that required Disadvantaged Business Enterprise (DBE) Program participation. In summary, it is alleged that these defendants paid the same DBE a sum of money to use his name in applications to obtain SEPTA contracts. The defendants then used their own employees to do the work.

The charging language sets forth the SEPTA contract requirements and the DBE requirements which are federal requirements. In obtaining payment from SEPTA, it is alleged that these defendants submitted false checks, reports, and correspondence which misrepresented that they had used the DBE.

It is further alleged that both companies were involved in DBE fraud on SEPTA contracts. The defendants were not involved together in their schemes. These are parallel schemes by prime contractors who used the same DBE subcontractor.

In the JMG information, it is alleged that the defendant DBE's fraud amounted to \$1,277,152. It is also alleged that in the Michael Tuilo and Tulio Landscaping, Inc., indictment the fraud on defendant DBE amounted to \$67,995.

If convicted, the defendants face the following maximum sentences:

Michael Tulio: 15 years imprisonment; \$750,000 fine, 3 years supervised release and a \$300 special assessment;

Tulio Landscaping, Inc.: 15 years probation; \$1,500,000 fine, and a \$300 special assessment; and

JMG Excavating, Co., Inc.: 5 years probation, \$500,000 fine, and a \$100 special assessment.

¹An Indictment or Information is an accusation. A defendant is presumed innocent unless and until proven guilty.

The case was investigated by the United States Department of Transportation - Inspector General Investigations and the Federal Bureau of Investigation, Fort Washington Office and was assisted by SEPTA, Office of Inspector General.

INFORMATION REGARDING THE DEFENDANTS

NAME	ADDRESS	AGE OR DATE OF BIRTH
Michael Tulio	Doylestown, PA	42
Tulio Landscaping, Inc.	Warrangton PA	
JMG Excavating, Co.	Pottstown, PA	

Copies of news memos and related documents can also be found at:

[HTTP://WWW.USDOJ.GOV/USAO/PAE](http://www.usdoj.gov/usao/pae)

The case has been assigned to Assistant United States Attorney Jennifer J. Chun.

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